

USAWC STRATEGY RESEARCH PROJECT

**THE ARMY NATIONAL GUARD'S FULL-TIME SUPPORT PROGRAM AND ITS IMPACT ON
READINESS**

by

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ABSTRACT

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Since September 11, 2001, the Army National Guard has played an increasing role in the Global War on Terrorism (GWOT), Operation Enduring Freedom (OEF) and Operation Iraqi Freedom (OIF). In the past two years, the mobilization rate of Army National Guard has increased immensely. The mobilization process is very challenging and is reliant on the readiness levels of our Army National Guard soldiers and equipment. Traditional citizen-soldiers make up 86% of the Army National Guard end strength of 350,000 soldiers. Once called upon, these soldiers continually strive to meet the call to arms in the shortest amount of time. In order to manage soldier and unit readiness, the Army National Guard is allocated full-time soldiers who ensure critical tasks are completed and manage readiness levels within units. However, the Army National Guard's Full-Time Support (FTS) program has been underfunded for many years. This paper analyzes the impact of this funding shortfall and its effect on readiness as the Army National Guard mobilizes more units.

The Army's FTS program supports both the Army Reserve and the Army National Guard. This paper focuses on the Army National Guard's FTS program and its impact on readiness.

TABLE OF CONTENTS

ABSTRACT.....	iii
THE ARMY NATIONAL GUARD'S FULL-TIME SUPPORT PROGRAM AND ITS IMPACT ON READINESS	1
HISTORY OF THE ARMY FULL-TIME SUPPORT (FTS) PROGRAM	1
CURRENT FTS PROGRAMS.....	2
AUTHORITIES FOR THE AGR PROGRAM.....	2
MAJOR CATEGORIES OF THE FEDERAL CIVIL SERVICE PROGRAM	3
ACTIVE COMPONENT.....	3
CONGRESSIONAL INTEREST IN ARMY NATIONAL GUARD FULL-TIME SUPPORT	3
FULL-TIME MANNING AND UNIT READINESS	4
ON THE HORIZON.....	6
COST-SAVING OPPORTUNITIES TO YIELD INCREASE FTS FOR ARMY NATIONAL GUARD UNITS	7
REBALANCING FTS INCREASES.....	8
REBALANCING ADVANTAGES.....	9
REBALANCING DISADVANTAGES	10
PERFORMANCE BASED PAY.....	10
PERFORMANCE BASED PAY ADVANTAGES.....	12
PERFORMANCE BASED PAY DISADVANTAGES	12
CONCLUSIONS	13
ENDNOTES	15
BIBLIOGRAPHY	17

THE ARMY NATIONAL GUARD'S FULL-TIME SUPPORT PROGRAM AND ITS IMPACT ON READINESS

Since September 11, 2001, the Army National Guard has played an increasing role in the Global War on Terrorism (GWOT), Operation Enduring Freedom (OEF), and Operation Iraqi Freedom (OIF). In the past two years, the mobilization rate of Army National Guard has increased immensely. The mobilization process is very challenging and is reliant on the readiness levels of our Army National Guard soldiers and equipment. Traditional citizen soldiers make up 86% of the Army National Guard's end strength of 350,000 soldiers. These soldiers continually strive to meet the call to arms in the shortest time possible. In order to manage soldier and unit readiness, the Army National Guard is allocated full-time soldiers who manage readiness levels within units and ensure critical tasks are completed. However, the Army National Guard's full-time-support (FTS) program has been underfunded for many years. This analysis will look at the impact of this funding shortfall and its effect on readiness as the Army National Guard mobilizes more units.

The FTS program includes Active Guard Reserve (AGR) soldiers, Military Technicians, Department of the Army civilians, and Active Component soldiers. All four categories will be discussed with a focus on expanding the Army National Guard AGR program to improve readiness. This analysis begins with a historical review of the Army's FTS program and how the Army National Guard AGR program evolved. Cost saving opportunities within the Army National Guard's FTS program will be proposed. This cost saving could make additional funding available for increased full-time manning with the end result of improving readiness in the Army National Guard.

HISTORY OF THE ARMY FULL-TIME SUPPORT (FTS) PROGRAM

Full-time support in the Army National Guard began in the early 1900s, when caretakers were required to care for the federally owned horses of the militia. As the force evolved overtime, the Army National Guard needed more than caretakers for horses. The National Defense Act of 1916 provided the first funding for full-time assistance to the Guard. Need for full-time clerical support emerged during World War II and the advent of a modernized military. Thirty years before the AGR program adopted its current name, the Armed Forces Reserve Act of 1952 established the foundation for the program and it is often considered the formal origin.¹ At the end of the Vietnam War, active duty military strength was reduced and the readiness of the Army National Guard became a significant concern to Congress. Congress responded with the Defense Authorization Act of 1980, which defined the duties that Reserve personnel on

active duty should perform, giving birth to the AGR program as we know it today. The list of AGR duties included organizing, administering, instructing, or training members of the Reserve Component. Likewise, the intent of the AGR program was to provide active duty Reserve personnel to ensure a unit achieved and maintained a high state of readiness.

The AGR program thus evolved over 50 years and has a complicated history governed by a multitude of statutes, acts, directives, and regulations. Unfortunately, no single governing statute or charter specifies all the functions, duties, and responsibilities of the AGR force.²

CURRENT FTS PROGRAMS

Today, approximately 1,600 Army Guard personnel serve under Title 10 USC, while over 20,000 AGR soldiers serve under Title 32 USC at the state and territory levels. This FTS force has become a critical issue relevant to Army National Guard's readiness. In addition in FY03, 25,702 Army National Guard soldiers served as Military Technicians, 493 civilians served as DA Civilians and 184 Active Army soldiers provided support to the Army National Guard.³

AUTHORITIES FOR THE AGR PROGRAM

The mission of the AGR force is to improve unit readiness with the overarching mission of preparing Army National Guard units to be ready to fight and win the nation's wars. Army National Guard soldiers can serve in a Title 10 status in two different categories: First, under U.S. Code, Sections 10211, 10302 (h) and 12402, Army National Guard soldiers are not assigned to units but are assigned to positions at the seat of Government, at the headquarters responsible for Reserve affairs, on the Army General Staff, and at the National Guard Bureau. These Army National Guard soldiers actively participate in the formulation, coordination, and administration of policies, plans, programs, and regulations pertaining to the Army National Guard. In the second category, under U.S. Code 10 Section 12301 (d), AGR soldiers are assigned to Modified Table of Organization and Equipment (MTOE)/Table of Distribution and Allowances (TDA) positions related to the training, administration, recruitment, instruction and organization of the Army National Guard. About 7% of the AGR force serves in Title 10 status in these two categories.

AGR soldiers may also serve full-time under Title 32 status on active duty in one of the 54 states and territories. They are assigned to positions supporting training, administration, supply, recruitment, and organization of the Army National Guard at the state level.

MAJOR CATEGORIES OF THE FEDERAL CIVIL SERVICE PROGRAM

Federal Military Technicians are federal civilian employees who are employed under Title 5 and Title 32 of the US Code. They provide support in the areas of administration, training and maintenance for Army National Guard organization/units. They must also maintain their status as drilling Army National Guard members as a condition of employment. If they are discharged or retire from the Army National Guard, their employment as a federal civilian employee terminates in thirty days.

Federal Civil Servants differ from Federal Military Technicians in that they are not required to maintain military status as a condition of employment. These personnel are customarily known as the civilian workforce. Like Military Technicians, they provide administrative, training, and maintenance support to the Army National Guard.

ACTIVE COMPONENT

The Active Component element of the FTS program consists of Active Army personnel aligned to positions in Selected Reserve organizations. AR 135-18 specifies conditions for using active Army personnel in the FTS Program: (1) Active Army personnel will be assigned to Active Army TDA positions aligned with unit MTOE positions. ARNG MTOE positions to which Active Army personnel are attached will remain vacant during the period the Active Component (AC) soldier is attached. (2) Active Army personnel are aligned to assist RC units when special expertise is required but not available through AGR personnel. (3) Active Army personnel attached to FTS positions are to be integrated into unit functions and missions and do not serve as advisors only. (4) Active Army personnel attached to ARNG units are not authorized to take part in state-ordered periods of active duty if, in so doing, they violate the Posse Comitatus Act.

CONGRESSIONAL INTEREST IN ARMY NATIONAL GUARD FULL-TIME SUPPORT

Concerns emerged in 1995 that new missions were being assigned to the Army National Guard without providing them with additional resources.⁴ Again in 1996 the House Armed Services Committee (HASC) expressed concern about downsizing of the Active Component and the increasing reliance on the Reserve Components to meet contingency requirements.⁵ The Secretary of the Army AGR Program Review, (4 May 2001), recommended that the requirements, current authorizations, and requirements for current and projected missions assigned to the Army National Guard be studied.⁶

The House Armed Service Committee recognized the link between Reserve Component readiness levels and the FTS force. Accordingly, it authorized the Secretary of the Army to increase the AGR force.⁷ None the less, the House Armed Service Committee continued to

have concerns over the fundamental change in the role of the FTS force. FTS personnel now had to perform new operational missions, such as their roles in the Civil Support Teams (CST) and the National Missile Defense (NMD) program. In 1999, the Secretary of Defense was directed to report, to the Senate Armed Services Committee and the House Committee on National Security, any revisions in law and policy necessary to reform the Reserve Component's FTS force to meet anticipated Total Force requirements. The issues that were addressed focused on current and future roles, mission support, career development, revising FTS categories, and Reserve Component end strength. In 2000, the HASC agreed the Army National Guard (ARNG) AGR force was inadequately manned. The general belief of committee members was that FTS personnel served a vital role in the readiness of the Selected Reserve.⁸ This belief resulted in an increase of 800 AGRs and was one of the precursors to future full-time manning increases in the ARNG.

The Army Reserve Components are the most under resourced of all Reserves Components within the Department of Defense. In 1999, Full-time Reserve personnel represented 17.21 percent for the entire Reserve force, all Services. The Air National Guard was manned at 33.67 percent full-time manning. The Air Force Reserve was manned at 22.49 percent full-timers; and the Naval Reserve was manned at 26.29 percent. In contrast, the Army National Guard was only manned at 13.29 percent, while the Army Reserve was at the bottom of the list with only 10.17 percent of its total force on full-time status.⁹ Even with planned increases, over the past five years the Army National Guard FTS manning has increased only to 14 percent.

FULL-TIME MANNING AND UNIT READINESS

Since the end of the Cold War, the U.S. Army has reduced its force structure. These reductions have resulted in increased dependency on the Guard and Reserve. As appropriately stated in the Secretary of the Army AGR Program Review, "...the Reserve Components have been transformed from a force held in reserve to one that is essential to the success of virtually every military operation during peace and war. Integral to the conduct of the Army's Reserve component's mission is the full-time Active Guard and Reserve (AGR) force."¹⁰

In "The Army's Unsung Heroes: Full-time Support to the Army National Guard and Army Reserve," Charles Lathrop asserts that, "Inadequate numbers of full-timers--AGRs and MilTechs -- degrade unit readiness and quality of life for Guard and Reserve soldier's and families."¹¹ He goes on to note that the lack of full-time manning directly affects readiness in a number of ways: "Lack of sufficient FTS results in poorly planned training events, delays in salary payments, and

lost opportunities for schooling among other problems.”¹² He further points out that part-time soldiers too often expend priceless training time on administrative issues and equipment maintenance that should be done by full-timers. The reports that drilling Reservists are often left with no choice but to work extra hours, on their own time, usually in an unpaid status, results in friction within the organization.¹³ This is becoming more and more common in Reserve Component units and places additional strains on the Reserve Component soldier’s family and employer. These stresses often impact negatively on the retention of soldiers in the Army National Guard, especially for those part-time soldiers assigned to key leadership positions.¹⁴ Soldiers assigned to a command position must perform many of the duties of a commander on their own time. A part-time soldier in a command position is often expected to commit at levels similar to a full-time soldier but with only part-time pay. These overburdened part-time Reservists must also accomplish their professional military education and serve additional training days if assigned to high priority units. So it is no mystery why the Army National Guard has a shortage of company grade officers. The critical enabler for a part-time commander is the full-time personnel assigned to that unit.

The Army National Guard’s 15 enhanced Separate Brigades (eSBs) support a critical part of the nation’s military strategy and they rely on sufficient FTS to maintain combat readiness. In a recent General Accounting Office (GAO) report, eSBs commanders cited “shortage of FTS as the most important problem undermining readiness – ahead of recruiting and retention.”¹⁵ Many leaders throughout the Army National Guard go one step farther and agree that FTS shortages are jeopardizing recruiting and retention. Without proper FTS manning, part-time soldiers feel unimportant, and they are not properly cared for in a timely manner. FTS personnel ensure that soldiers are paid on time, that training is properly coordinated, and that all routine administrative actions are handled in a timely manner. However, as of March 1999, the average eSB had only 177 of 282, (62 percent) of the full-timers required. ESBs, as high priority units, are staffed at a higher rate than other RC units.¹⁶ Unfortunately, according to the U.S. Army’s 2004 Posture Statement, the FTS in the eSBs are filled at approximately 55 percent of the requirement.¹⁷ This shortfall and downward movement inhibits the ability of these high priority units to maintain a high state of readiness. Charles Lathrop echoes this concern: “This shortfall in FTS staffing represents an unacceptable level of risk to our National Security Strategy.”¹⁸ Readiness of the Army’s Strategic Reserve is at risk.

The GAO report goes on to say that brigade officials cite many long standing problems that are interrelated. Brigade officials were requested to prioritize a list of key problems that affect training readiness. Twelve of fifteen brigades that responded cited shortage of full-time

manning and recruiting and retention as the two most prevalent problems that impacted readiness.¹⁹ Also frequently cited was “the problem of too much to do in the time available.”²⁰ Because of evolving requirements and standards for individual and unit training, personnel and medical readiness, and local force protection requirements, the available time is quickly consumed.

Time management is very critical issue in Guard unit management. Evolving demands and time sensitive requirements complicate already tight schedule requirements. Consider how difficult it is for three full-time soldiers to carry out the day-to-day responsibility to manage administrative actions, training requirements, and supply accountability for a company that has 180 soldiers assigned to it. But in some cases units have no full-timers assigned, so they have to rely on FTS personnel assigned at the battalion (or higher) level to accomplish unit business. Soldiers must be paid on time, administrative actions must be completed timely, soldiers must be scheduled for schools, unit training must be coordinated, and supply actions must be completed. Additionally, management indicator reports are constantly requested from higher headquarters and must be submitted to meet higher headquarters’ suspense. Assigned soldiers must still be assisted when visiting the unit during non-drill periods because that may be the only time that the soldier can come in. In many situations, soldiers do not work or live near their assigned unit and must travel considerable distances to conduct business during non-drill periods. This is often more the rule than the exception.

In the final analysis, shortages of FTS personnel directly affect retention, professional development, and quality of life for soldiers and their families. These shortages also jeopardize employer support to the Guard and Reserve.²¹ If increases in full-time manning are not made in the near future, the Army National Guard will continue to be plagued with the readiness issues.

ON THE HORIZON

It is a known fact that the Army National Guard, as well as the FTS program, has been historically underfunded. Problems in the Army National Guard’s Weapons of Mass Destruction Civil Support Teams and the National Missile Defense program provide two recent examples of the Senate Armed Services Committee’s failure to recommend an increase in funding for the FTS despite Congress’ own mandate to increase the role of the Guard and Reserve.²²

Shortfalls in full-time manning were recently addressed when the Army and Congress developed a plan to increase full-time manning in the Army National Guard. During Total Army Analysis (TAA) 09, a direct link between full-time authorizations and readiness was outlined in an ASA (M&RA) memorandum. The memorandum which acknowledged AGR and Military

Technician requirements and validated the process for determining the DA high risk manning level.²³ The DA Risk levels are broken out at 90%, 80%, 70% and 65% of the FTS requirements, and they are directly tied to Force Packages (FP) 1 to 4.²⁴ This plan accommodated future High Risk FTS requirement changes. A ramp was established to reach the DA High Risk manning level. Therefore, a change to a force package resulting from an adjustment to the National Military Strategy would also adjust the FTS personnel assigned to that unit.²⁵ The significance of the AGR force to national military strategy is very apparent in the TAA process and highlights the significant relationship between the full-time force, unit readiness, and approved manning levels.²⁶ However, these increases are not immediate. Rather, they are being spread out over a twelve year period. Even then they do not bring the Army National Guard to 100 percent. Actually, upon completion of the twelfth year the percent fill for FTS in the Army National Guard will be about 71 percent of the full-time manning requirement. Each year the Army National Guard will add 724 AGR soldiers and 487 Federal Military Technicians to its FTS program, which annually increases the FTS strength of the Army National Guard by 1,211 soldiers. But, these increases do not take into account the changing roles and missions of the Army National Guard. Today's operational requirements are much higher than when the plan was developed. Furthermore, the Army National Guard has taken on additional roles including the Civil Support Teams and the manning of the National Missile Defense program mentioned above.

COST-SAVING OPPORTUNITIES TO YIELD INCREASE FTS FOR ARMY NATIONAL GUARD UNITS

The Chief of National Guard Bureau, LTG Stephen Blum, and the Director of the Army National Guard, LTG Roger Schultz, have testified before Congress that increasing full-time manning is the Army National Guard's number one priority because that increase would improve readiness. However, there are no major funding increases projected for the Army National Guard. So it is left to the Army National Guard to address these shortfalls in full-time manning. In a zero-sum funding scenario, the Army National Guard must look internally for opportunities to generate solutions. By developing and implementing opportunities now, the Army Guard can positively affect its future readiness and maintain its relevance in supporting the National Military Strategy. Members of the Army National Guard should view the following proposals with an open mind. Some may be controversial. They are presented to enlarge discussion with the overall objective to increase the Army National Guard's readiness. They are intended to break down pre-existing barriers and create paradigm shifts so the Army National Guard can move strategically into the future.

REBALANCING FTS INCREASES

The first proposal explores an approach for rebalancing the Army National Guard full-time manning. As noted earlier, in 2000 the Assistant Secretary of Army for Manpower and Reserves Affairs, the Army and the Army National Guard agreed that the Army National Guard's full-time manning levels were unsatisfactory. The Director of the Army National Guard, LTG Roger Schultz, and state Adjutant Generals have always felt that the Ramp Plan takes too long. On July 18, 2001, LTG Schultz appeared before the House Armed Services Committee and stated that his greatest concern is lack of sufficient FTS in Army National Guard units. He further stated that over time, the FTS authorizations, as a percentage of requirements, have steadily declined. He reported that, the Army National Guard is currently only manned at 57 percent of FTS requirements.²⁷ In deciding how much of an increase would be needed year by year and considering the funding shortfall, the Army decided that it had to accept some risk. The Army determined the zero risk level of FTS personnel would be 83,650. The Army also determined their high-risk level for the ARNG FTS program at 59,721 (30,402 AGRs and 29,319 Technicians).²⁸ Under the current plan, the ARNG will be manned at this number at the end of twelve years. Note, however, this equates to 71 percent of the FTS requirement.

For the past four years the Army National Guard has received appropriations for planned annual increases. The Army National Guard has also requested increases that exceeded the Ramp Plan's annual increases. These requests have been approved by Congress and provided in Congressional add-ons. These increases have accelerated the Army National Guard's program. While it must continue to seek Congressional support, the Army National Guard must not depend solely on Congressional Add-ons and should seek opportunities to improve readiness. One alternative would be to divert planned annual increases from the technician workforce into the AGR workforce. If these increases were diverted, the AGR workforce would increase annually above the planned amount of 728 positions. This diversion would reduce the scheduled 487 Federal technicians based on a cost offset. Costs for AGR soldiers and Federal technicians vary, so exact number of AGR increases would vary from year to year. Annually, National Guard Bureau could determine what technician manpower could be diverted to the AGR program. That determination would depend on funding increases (Ramp Plan), Congressional add-ons, and readiness.

The Army National Guard needs both workforces. By law they are governed by different requirements and restrictions. The technician workforce focuses more on organizational and equipment readiness. In contrast, the AGR workforce is focused on "The Soldier." Rebalancing the workforce will rebalance the focus.

A rebalanced FTS workforce, more focused on "The Soldier," should be the Army National Guard's goal. This is consistent with the Chief of Staff of the Army, General Schoomaker's declaration. He stated that "Soldiers remain the centerpiece of our thinking, our systems and our formations." Maintaining focus on "The Soldier" will increase ARNG readiness. With more AGRs in the workforce, there would be a better opportunity for the ARNG to address the needs of the soldier. Soldier focus assures the highest readiness level. Of course, we must consider both advantages and disadvantages of a rebalanced workforce.

REBALANCING ADVANTAGES

Advantages of increasing the AGR force quickly outweigh the disadvantages. Before soldiers enter the AGR program, they must be able to meet stringent requirements. Incoming AGR soldiers must meet medical and dental requirements; height and weight standards; Military Occupation Specialty Qualification (MOSQ) requirements; and military and civilian educational requirements. Currently, soldiers coming into the AGR programs are not authorized medical waivers. Therefore they must meet all medical requirements.

If soldiers are not Military Occupation Specialty qualified, they must become qualified within 18 months of acceptance in the program. Soldiers' military and civilian educations are evaluated against his military rank. If their education is not commensurate with their rank, soldiers are required to sign a Professional Development Program (PDP) statement. These PDP statements specify what civilian and military requirements have been completed and must be completed. Additionally, a deadline is established and reflected on this statement. The military education requirements spell out both MOSQ requirements and professional development requirements.

Every AGR soldier is bi-annually administered an Army Physical Fitness Tests (APFT), and measured for height and weight. If soldiers are unable to meet standards, they are released from the AGR program. All AGR soldiers are aware of this requirement and know that if these requirements are not met, then their employment may be terminated.

The AGR workforce aligns closely to the Active Component. Therefore, coordinating and planning training events or evaluations present fewer difficulties. Additionally, the work hours of the AGR soldier are not restricted like the Federal military technicians who work a 40-hour work week. The AGR workforce can, if necessary, support soldiers in their units or requirements from higher headquarters on a 24 hour, 7 day per week basis. This schedule flexibility enables the AGR workforce to better support any requirement. It creates fewer obstacles in work scheduling and improves the ability of the unit commanders to meet mission requirements. In

addition to an AGR's flexibility in work hours, an AGR soldier is more of a generalist in the execution of "other duties as assigned." This is critical because FTS personnel assigned to units must complete a multitude of tasks. For example, a FTS soldier reports to the unit to assist part-time soldiers departing for training or a deployment. The FTS soldier may have to provide support to the part-time soldiers in the areas of personnel, training and supply. If FTS soldiers are technicians, they would have to be compensated for coming in during non-duty hours or on the weekend.

Most Federal military technicians are unionized, which creates a whole list of issues. For example, unionized employee must be given proper notification of change to work hours. Their job assignments must be consistent with duty descriptions. They have the benefits of military leave, leave without pay, and workmen's compensation. All of these major issues and numerous others are separately addressed in multiple technician personnel regulations.

REBALANCING DISADVANTAGES

There would be two major areas of risk incurred if planned annual increases from the technician workforce were diverted into the AGR workforce. The first major risk is in the maintenance of equipment. Equipment in the Army National Guard must be properly maintained. In most states, these maintainers are Federal technicians. Today, most states are undermanned in their maintenance workforce. Because of this many ground and aviation maintenance programs have sizable maintenance backlog problems. The reduction of scheduled increases in the workforce would reduce the capabilities of state maintenance programs to address their backlog problems.

The second risk would be the potential loss of institutional knowledge within Guard organizations. The technician workforce has been a long-standing force with an enormous amount of experience. Technicians normally serve for years in the same unit. If gaps were created in the increase of Federal technicians, organizations may miss out on the experience that these individuals bring to the Army National Guard.

PERFORMANCE BASED PAY

A second proposal recommends using incentives to increase production in the full-time maintenance workforce of ground-based equipment. An increase in this group's work productivity would directly increase equipment readiness. As equipment readiness increases, this would lessen the need for growth in the technician workforce. The leadership of the Army National Guard could then cross-level technicians and AGR in the ramp up program for FTS.

The service and repair of military ground equipment is measured in man-hours. In the civilian sector, automotive services and repairs are based on labor times. In effect, man-hours and labor time are one in the same. Both systems can estimate to fractions of an hour or multiple hours the time needed for specific repairs.

Can the Army National Guard adopt civil business practices from the Automotive Industry? Understandably different rules, laws, and unions influence both entities. However, common ground exists in several areas. Both start with a requirement, repair, or routine service. Both require a technician, have estimated repair times, and, finally, both require a repair facility.

The biggest disparity between both entities is in the pay systems. For simplicity, a FTS Federal military technician will be referred to as technician and a civilian automotive repair Technician will be referred to as a mechanic. Currently the majority of the Army National Guard FTS ground equipment personnel are Federal military technicians. They are hired within the Federal civil service system and are paid an hourly wage. Their hourly wage is based on level of experience and assigned position. Their pay is not based on work production. Therefore there is a lack of incentive to work more efficiently. The lack of incentives contributes to a complacent workforce. The auto industry has several pay systems, but the two most common are the hourly pay system and the flat rate system. In the automotive industry there are many variations of these two systems. The hourly pay system is similar to the Federal military technician pay system and equates to a straight hourly wage. In a flat rate pay system, a mechanic has the ability to excel in two areas. Foremost, he has the ability to increase his pay based on the amount of work he can produce. Secondly, he has the ability to complete more work in a shorter amount of time. For example, if the labor guide states a particular job takes three hours for the job and the mechanic completes the job in two hours, he still gets paid for three hours.²⁹ A mechanic could work for 40 hours but potentially flag more labor time and be compensated accordingly. Additionally, the government tends to pay their employees at a higher rate than the automotive industry. The U.S. Department of Labor, Bureau of Labor Statistics, Occupational Outlook Handbook, reports the following average hourly wages:

Local government	\$18.04
Automobile dealers	\$17.66
Gasoline stations	\$13.04
Automotive repair and maintenance	\$12.77
Automotive parts, accessories, and tires stores	\$12.60

The hourly pay system does not reflect a technician's or mechanic's job performance or production. What he accomplishes or fails to produce really has little bearing on the end result, his pay check. From the perspective of the technician or mechanic there is little incentive to seek improvement. Therefore there is no incentive to work faster or smarter.

PERFORMANCE BASED PAY ADVANTAGES

The flat rate pay system would benefit the Army in that it would allow the Army National Guard to boost productivity and help to reduce the maintenance backlog. In addition, it could lead to a higher rate of readiness with less FTS personnel. Exponentially, cost savings nationwide, attributed to the flat rate system, could fund technicians that are entitled to receive incentive pay and the remainder could support funding future increases in the FTS program. Using the U.S. Department of Labor's average hourly wages a baseline salary for technicians could be established which would be equal to automobile dealers. The cost of incentive pay could be funded from the difference between local government hourly wages and automobile dealers' hourly wages. At the end of the pay period, a technician who produced more than 80 hours of repairs could earn an increased percentage of pay within that pay period. Incentive pay percentage could further be established in an ascending pay scale to provide additional incentives for technicians to boost production. According to an article in *Motor Service Magazine*, 60% percent of the shops use the flat rate system and 40% use other methods.³⁰ These other methods also include an hourly pay system, but often with a bonus to enhance the individual's work production. There's no one-size-fits-all when it comes to pay plans. In addition, management style and command climate can greatly influence production.³¹ In the civilian sector, if mechanics liked their pay system then production increased. The flat rate pay system would, on the average, allow a technician to earn considerably more as their skill level improved. In the Army National Guard an increase in production would increase readiness levels. Therefore the flat rate pay system could result in a "win-win" situation for all parties involved. Technicians would learn to work smarter, not harder.

PERFORMANCE BASED PAY DISADVANTAGES

The disadvantages of the flat rate system are few, but they should be examined prior to implementing a flat rate pay system. The flat rate system can create a stressful environment. For technicians who produce only a very few man hours of output, their frustration would be higher and their morale lower. Jealousy and resentment could result if the technician feels favoritism exists and that easier jobs are being assigned to someone else. In addition, a flat rate pay system may create a higher rate of comeback work, since a technician is working faster

and focusing on quantity versus quality. Therefore a quality assurance program may be needed to ensure personnel are technically competent and maintain high standards.

CONCLUSIONS

The Army National Guard FTS program is vital to our nation's future. At one time the Army National Guard was referred to as the strategic reserve, but in today's strategic environment this is no longer the case. The United States now relies on the regular use of the Army National Guard. Army National Guard units must be ready more now than ever before. The key enablers are the Army National Guard's full-time personnel.

The Assistant Secretary of Army for Manpower and Reserves Affairs and the US Army has recognized the importance of the Army National Guard's FTS program; however, current and projected defense allocations do not fully support this requirement. Therefore the Army National Guard must seek other opportunities to increase the readiness of their units. In a resourced constrained environment, the first, and sometimes only, place to find funding for critical programs is through improved internal efficiencies.

This Strategic Research Paper offers two potential internal cost saving opportunities for the Army National Guard to consider as they strive to meet the nation's requirements on fighting the war on terrorism and preparing for future operations. First, by rebalancing the planned FTS increases, the AGR force could effectually improve the readiness of Army National Guard units by capitalizing on the utility of AGRs versus civilian technicians. Secondly, an incentive pay system could increase production in the full-time maintenance workforce of ground-based equipment. This cost savings could be used to fund more AGR FTS personnel to improve readiness in the Army National Guard. The Army National Guard must go about "...taking advantage of the opportunities to shape this talented and dedicated workforce which may serve to have lasting positive effects on the entire Army. If the Army National Guard workforce becomes viewed as a strategic link and an investment is made in their future, the entire Army can benefit – indeed, even the nation."³²

No matter how long it takes to reach the Army's acceptable risk level, the Army National Guard's FTS personnel and specifically AGR workforce will continue to serve their soldiers by continuing to train, administer, recruit, instruct and organize the Army National Guard as they continue their critical roles in our nation's defense.

WORD COUNT=5566

ENDNOTES

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² Ibid., Volume II-2.

³ Assistant Secretary of the Army, Financial Management and Comptroller, *The Army Budget, FY04/05 President's Budget, February 2003*, [Report on-line]; available from <<http://www.asafm.army.mil/budget/fybm/FY04-05/greenbook.pdf>>; Internet, accessed 2 January 2004, page 16.

⁴ Ibid., 6.

⁵ Ibid.

⁶ Ibid.

⁷ Ibid., Summary Assessment of Collective Documents, 6.

⁸ Ibid., 7.

⁹ Ibid.

¹⁰ Ibid., Volume II-1.

¹¹ Charles Lathrop, *The Army's Unsung Heroes: Full-time Support to the Army National Guard and Army Reserve*. National Security Watch, Association of the United States Army, Institute of Land Warfare, 3 July 2000. [Report on-line]; available from <<http://www.ausa.org/ilw/>>; Internet: accessed 30 December 2003, 2.

¹² Ibid.

¹³ Ibid.

¹⁴ Ibid.

¹⁵ General Accounting Office. *Army National Guard: Enhanced Brigade Readiness Improved but Personnel and Workload Are Problems*. (Washington D.C.: U.S. General Accounting Office, June 2000), 10.

¹⁶ Ibid., 10.

¹⁷ Department of the Army, *The United States Army 2004 Posture Statement, Addendum A*, U.S. Department of the Army. 19 February 2004. Available from <<http://www.army.mil/aps/04/addendumA.html>>; Internet; accessed 28 March 2004.

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²⁰ Ibid., 10.

²¹ Charles Lathrop, "The Army's Unsung Heroes: Full-time Support to the Army National Guard and Army Reserve." National Security Watch, Association of the United States Army, Institute of Land Warfare, 3 July 2000. [Report on-line]; available from <<http://www.ausa.org/ilw/>>; Internet: accessed 30 December 2003, 4.

²² Ibid, 3.

²³ Ibid., Summary Assessment of Collective Documents, 18.

²⁴ Ibid.

²⁵ Ibid.

²⁶ Ibid.

²⁷ Roger C. Schultz, Congress, House of Representatives, Committee on Armed Services, *On Army National Guard Personnel Posture: Statement by Lieutenant General Roger C. Schultz, Director, Army National Guard*, 107th Cong., 18 July 2001.

²⁸ "AC/RC Integration Item 00-123, Full Time Support (FTS)," Memorandum for Reserve Component Coordination Council (RCCC), dated 1 December 2001, available from <<http://www.globalsecurity.org/military/library/policy/army/acrc/00-123.doc>>; Internet; accessed 30 December 2003.

²⁹ Levy Joffrion, "How Shops Compensate Technicians What Works? What Doesn't?," *AutoInc. Magazine* October 1998, [journal on-line]; available from <<http://www.asashop.org/autoinc/oct98/manage.htm>>; Internet; accessed 10 March 2004.

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³¹ Ibid.

³² Office of the Assistant Secretary of the Army, Manpower and Reserve Affairs, *Army Active Guard and Reserve Program Review, Final Report, November 2001*, [Report on-line]; available from <<https://gko.ngb.army.mil/GKOHme.asp>>; Internet; accessed 30 December 2003, Volume One, IX-3.

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